# Swami Ramanand Teerth Marathwada University, Nanded

**Ph.D. Synopsis on**

# A Study of Investment Awareness among the Primary School Teachers with Special Reference to Latur District

Under the faculty of Commerce
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## 1. Introduction

Investment awareness and financial literacy play a crucial role in individuals' financial well-being and long-term financial planning. This study aims to investigate the level of investment awareness among primary school teachers in Latur District. There is a meaningful sentence in the famous Forbs magazine “Money is not everything in life, but make sure that you have earn it a lot before start thinking like same.” The above quote is revealing the importance of the money in our life. Financial management and investment awareness became the success mantra for everyone in current era. Investment or Financial awareness is not about earning a lot of money but it point outs that we should be very careful while spending, saving or investing it for future. Today not only the India but the whole world is facing the problems of souring prices and inflation has become a matter of great concern for all. It is rare to find out a person who has enough money to fulfill every need or wish. Studies shows that even multi-millionaires believe that they need about twice what they have to feel worry free. As all of us know the basic rule of economy that resources are scare and wants are unlimited. Many times our financial ability proves inadequate to live up to our expectation. At this point, we realize the importance of financial awareness for our day to day life. Investment awareness is a part of financial literacy. Finance literacy or awareness means the set of skills and knowledge that allows an individual to make informed and effective decisions through their understanding of finance. Investment and financial literacy is important to help individuals meet their life goals and objectives. Even our government is paying much attention in the field of investments and saving by common persons through the way of small saving groups i.e. “Bachat Gats”. The Apex Financial Institution in our country SEBI i.e. Securities and Exchange Board of India, is also contributing in the programme of financial awareness among the common citizens. It has published a series of books in collaboration with National Stock Exchange (NSE) under the guidance of Advisory committee for the Investor Protection and Education Fund (IPEF).Such initiation by SEBI, aims to provide financial education to the common individual.

## 2. Review of Literature

The review of literature begins with the relevance of financial systems to economic development through the savings-investment process. To get an in-depth idea for the topic under study and support the academic research base to a research topic, the literature review presented in this chapter is divided into two sections. The first section of this chapter incorporates the theoretical framework for this study by including behavioural finance models to explain investor behaviour when rational economic models fail to explain, followed by an in-depth review of literature on studies related to investment motives and factors that influence the investment decision of investors. This section also includes studies that had measured the association of demographic factors of investors with investment decisions. It also incorporates the importance of risk tolerance ability and needs for/ sources of information search in decision making. The second section of this chapter includes an analysis of studies conducted in various countries for measuring the financial literacy of their citizens. It also discusses the theoretical framework for financial behavior. This section presents a literature review on various studies that have attempted to establish the relationship between financial education, financial literacy, and various financial behaviour.

1) Dr. Duvvuri Subbarrao, (2013):-has successfully placed the role of RBI in issues like financial literacy in the presence of premier international institution – the OCED and the World Bank. He gave following two reasons behind RBI initiative for financial education .First; Historically RBI has played an important developmental role in financial sector. Creating awareness about financial education is now a unique advantage, opportunity and distinct obligation too as RBI work in tune with Government of India. The second reason is global financial crises of 2008-09. He stated that low understandings of financial matters and high degree of financial illiteracy are prime reasons behind such financial crises .Many advanced economies have adopted the way of Consumer protection by making them financially literate as an instrument to deal the financial crises.

2) Dr. A. A. Attarwala,(2014) studied on the role of SEBI in financial literacy and concluded that the Securities and Exchange Board of India has been making sustained efforts to spread financial literacy and disseminate neutral information related to the markets so that larger number of Indians participates in India's growth story. With the developing financial market in India, there is an urgent need for the more financial penetration of the investors in the financial market. It is necessary that structured regulations are put in place which not only make products available to the clients but in effect enhance the knowledge of the investors, therefore achieving the financial inclusion in the financial market. The need of the hour in the financial sector is the active participation of the

investors so that the equity in the financial 57 market increases and this is possible only when proper advice is provided to these investors to enable them to make an informed decision about the investment. SEBI have proposed a nationwide survey for assessing financial inclusion and literacy in the country in the draft 'National Strategy for Financial Education' that seeks to "create a financially aware and empowered India" and convert savers into investors. Through this information and objective advice, they develop the skills and confidence to become more aware of financial risks and opportunities and make informed choices to improve their financial position. “We can create confidence in market by spread financial literacy and merit of investment could be widely spread, hence time is ripe to motivate our educated upper middle class to climb from saving mode to wealth generation mode.” - Pranab Mukherjee,(Honourable President of India)

Investment awareness among primary school teachers in the Latur district is a vital aspect of financial literacy that has far-reaching implications for both educators and students. While existing literature points to the significance of financial education interventions, it also underscores the need for tailored programs that address the unique challenges faced by teachers. Future research could focus on evaluating the long-term impact of such interventions and exploring innovative ways to integrate investment awareness into the education system effectively. By equipping teachers with robust investment knowledge, we can empower them to play an active role in shaping financially responsible citizens of the future.

## 3. Need of the Study

### 1. Educational Significance:

Investment awareness and financial literacy are essential life skills in today's complex economic landscape. While several studies have explored the financial literacy of various demographic groups, there is a noticeable gap in research focusing on primary school teachers. Teachers play a pivotal role in shaping the values, behaviors, and aspirations of young learners. Hence, it is imperative to understand the investment awareness levels of primary school teachers in Latur District to ensure that they are well-equipped to impart financial knowledge effectively.

### 2. The Role of Teachers as Financial Educators:

Primary school teachers are not merely educators of academic subjects; they are role models and influencers in the lives of their students. The financial behaviors and habits of teachers can have a lasting impact on the financial decision-making of their pupils. Investigating the investment awareness of

primary school teachers allows us to gauge their preparedness to teach financial literacy effectively and inspire responsible financial behaviors among the next generation.

**3. Impact on Personal Financial Stability:**

Teachers, like any other professionals, should have the means and knowledge to secure their financial futures. A lack of investment awareness among primary school teachers can potentially lead to poor financial planning and investments, which may affect their own financial stability. A comprehensive understanding of their current financial knowledge and practices is crucial for ensuring their economic well-being.

**4. Bridging the Gap in Teacher Training:**

The study can reveal gaps in the training and professional development programs for primary school teachers in Latur District. If deficiencies in investment awareness are identified, recommendations can be made for integrating financial literacy components into teacher training curricula, thereby improving the preparedness of future educators.

**5. Socioeconomic Implications:**

Improving investment awareness among primary school teachers can have broader socioeconomic implications. Well-informed teachers may make more informed financial decisions, leading to increased savings, investments, and economic stability. This, in turn, can contribute to the overall financial well-being of the community and region.

**6. Research Gap:**

Currently, there is limited empirical research specifically addressing the investment awareness of primary school teachers in the Latur District. As such, this study addresses a significant research gap and has the potential to provide valuable insights into the financial preparedness of this crucial group of educators.

## 4. Objectives of the study

The broad objective of the research is to study the level of Investment awareness among Primary School Teachers residing in Latur District.

**Specific Objectives of the research are:**

1. To Study the Primary School Teachers' knowledge of various investment options.
2. To examine the attitudes and perceptions of Primary School Teachers towards investments.
3. To find out the degree of Investment awareness among the various segments of Primary Schools Teachers.
4. To evaluate the financial planning practices of primary school teachers.
5. To calculate the risk profile of the Primary Schools Teachers.

## 5. Hypothesis

$H_1$: Primary school teachers in Latur District have a High level of investment Awareness.

v/s

$H_0$: Primary school teachers in Latur District have a low level of investment Awareness.

$H_1$: Primary Schools teachers save more and invests less.

v/s

$H_0$: Primary Schools teachers save less and invests more.

$H_1$: Primary Schools teachers in Latur district are less inclined towards risk investment.

v/s

$H_0$: Primary Schools teachers in Latur district are more inclined towards risk Investment.

$H_1$: There is a significant association between primary school teachers' financial literacy level and their monthly saving to monthly income ratio.

v/s

$H_0$: There is no significant association between primary school teachers' financial literacy level and their monthly saving to monthly income ratio.

## 6. Research Methodology and Data Collection:

The research methodology is a way to solve the research problem systematically (Kothari, 1999). A system of models, procedures and techniques used to find the result of a research problem is known as Research Methodology (Panneerselvam, 2010).

### Research Design

Research design is an arrangement of data collection and analysis of data in a manner that aims to combine relevance to the research purpose. It is a blueprint for the collection, measurement and analysis of data. For this study, Exploratory and Descriptive research design methods have been used, wherein the researcher has explored primary school teacher's financial literacy level. Both the types of source of data, primary and secondary, were used. The data collection method is discussed in detail in the following sections.

### Sampling Design.

Sampling design is a definite plan for obtaining a sample from a given population. A sampling plan means a method, decided before the survey is undertaken, of selecting the objects out of the universe. It refers to the technique or the procedure a researcher adopts in selecting a sample and the sample size.

### Sampling Technique

Sampling techniques are broadly divided into two groups as probability sampling techniques and non-probability sampling techniques. For the current study, the probability sampling technique is chosen. Stratified random sampling technique is used by the researcher for this research.

### Population

For any research study, identifying or deciding the target population is one of the most important things. The target population is defined as a specific group of students or objects for which the data can be gathered or observations made to develop the required data structure and information. This study has been done in Latur District, India.

"Research is a systematic and refined technique of thinking, employing specialized tools, instruments and procedures in order to obtain a more adequate solution of a problem than would be possible under possible means. It starts with a problem, collects data or facts, analyses them critically and reaches decisions based on the actual evidence." –C.C.Crawford.

As above stated definition, this research will try to collect more and more relevant information with tools like Primary and secondary collection of data. Collection of data refers to a purposive gathering of information relevant to the subject matter of the study from the units under investigation. Primary data are original, collected by researcher for the first time for any investigation and used for statistical analysis. Secondary data are collected by others and used by others. It is mostly published in newspapers, periodicals Journals and authentic websites etc. The primary data collection will be made by personally visiting the Primary Schools and academic institutes in the district. The sample of 500 respondents will be selected for the study. Secondary data will be collected from the websites, annual reports as well as publications of SEBI, NISM, RBI and other financial institutes.

## 7. **Limitations of the Study:**

1] The present study is limited to Latur district only and has reflected the thinking of respondents of the said area and which may be different from the thinking of the other districts.

2] Response from only primary school teachers has been taken which may vary from the degree of financial awareness of junior college and school teachers.

3] Duration of last 05 years has been decided for secondary data collection; therefore change in time period may vary the findings.

4] Convenience sampling method has been followed for primary data collection; if complete survey method is adopted for the study and findings may vary.

## 8. Scope of the Study

As mentioned in the study's objectives, the researcher has explored Investment Awareness among Latur District primary school teachers. After doing an in-depth study of available literature on chronological development while defining the term Investment awareness, the researcher has conceived the following operational definition of Investment awareness, which defines the scope of the term for the present study. A comprehensive survey will be conducted on primary school teachers in Latur District, covering their Investment awareness.

From last two decades, Latur at local level and nearby talukas in the district have emerged as an important educational hub. In Latur district, there are 1235 primary schools and 49 district schools. There are questions. Also there are 487 aided and unaided private primary schools under the division. There are 270 Marathi medium primary schools, 101 Urdu medium primary

schools and 116 English medium primary schools. E-learning facilities have been made available in 786 out of 1284 schools of Latur Zilla Parishad to improve the quality of students. Also, the facility of medium English teaching has been made available in 184 schools. Such a large numbers of primary schools, teaching, non-teaching staff and a considerable number of students strength, make this research work significant and being such a high quantum, it is vital to study the investment awareness of this community.

**A) Periodical Scope:-**

For this research study, the data will be collected for the past 10 years particularly the Secondary data, and 5 years particularly the primary data.

**B) Geographical Scope:-**

**List of Talukas in Latur district**

| | | | | |
|---|---|---|---|---|
| **1**. Latur | **2.**Ausa | **3**. Nilanga | **4**. Udgir | **5.**Ahmedpur |
| 6.Deoni | 7. Shirur Anantpal | 8. Renapur | 9. Chakur | 10. Jalkot |

Some selected primary schools will be taken to gather information and sample data collection.

**C) Operational Scope:-**

This study will consider savings and investment related habits of people. Saving is what people usually do to meet short term goals. Our money is very safe in a savings account and it is usually earning a small amount of interest. It's also easy for us to get to our money when we need. Investing means we are setting our money aside for long – term goals. There's no guarantee that the money we invest will grow. In fact, it is normal for investments to rise and fall in value over time. But in the long run, investments can earn a lot more than we can usually make in a savings account. Saving and investment related available options at Bank Level are- Savings Bank Account, Bank Fixed Deposit (Bank FDs), Recurring Deposit Account, Special Bank Term Deposit Scheme etc. Government Schemes for Savings and Investment include National Savings Certificate (NSC), Public Provident Fund (PPF), Post Office Scheme (POS), Kisan Vikas Patra (KVP) etc. Different investment products like Bonds , Debentures, Company Fixed Deposits, Mutual Funds, Equity etc., Insurance Policies like Life Insurance, Term Life Insurance, Endowment Policies, Annuity / Pension Policies / Funds, Units Linked Insurance Policy (ULIP), Health Insurance, Comprehensive health insurance coverage, Hospitalization plan, Critical Illness Plans and other Specific Conditions Coverage will be considered.

## 9. Chapter Scheme:

**Chapter 1 Introduction**

**Chapter 2 Review of Literature**

**Chapter 3 Research Methodology**

**Chapter 4 Data Analysis and Data Interpretation**

**Chapter 5 Finding, Conclusion and Suggestions**

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